GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

STARRED QUESTION NO:112
ANSWERED ON:26.11.2002
DISINVESTMENT OF NALCO
SANAT KUMAR MANDAL;TRILOCHAN KANUNGO

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the recommendation of Disinvestment Commission with regard to National Aluminium Company (NALCO) is being implemented;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the nodal Ministry has raised objections and put forward suggestions in regard to the disinvestment of NALCO;

(d) if so, the details thereof alongwith the present status of the disinvestment process of the unit; and

(e) the amount of dividend, interest and Income Tax received by the Government from NALCO during the last three years?

Answer

MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINIST
COMMERCE & INDUSTRY (SHRI ARUN SHOURIE)

(a), (b), (c), (d) & (e) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a), (b), (c), (d) & (e) of the Lok Sabha Starred Question No. 112 for 26.11.2002 regarding disinvestment of NALCO by Shri Trilochan Kanungo and Shri Sanat Kumar Mandal

(a) & (b) The Government has broadly accepted the recommendations of the Disinvestment Commission for disinvestment of 30% equity of NALCO through market sale. In addition, the Government has decided to disinvest29.15% equity to a strategic partner bringing the Government equity down to 26% after reserving upto 2% of the equity for NALCO employees.

(c) & (d) There are no objections of the Administrative Department viz. the Department of Mines to the decision of the Government for disinvestment in NALCO taken on 27th September, 2001 and 11th July, 2002. The suggestions of the Department of Mines and other Departments related to implementation of the disinvestment process in NALCO, are discussed and taken into account through the forum of inter-ministerial meetings. The Advisors have been appointed. The process of due diligence by the Qualified Interested Parties (QIPs) has started from 10th October, 2002. Plant visits were to start from 28th October, 2002, but in the face of resistance faced by the Advisors and QIPs, plant visits had to be suspended and will commence after adequate security arrangements have been made.

(e) The amount of the dividend, interest and the Income Tax paid by NALCO during the last three years, as per the Public Enterprises Survey (2000-01), are as follows:

(Rs. In crore)

	1998-99	1999-2000	2000-01
Dividend	77.32	128.87	257.72
Interest	38.06	63.43	97.56
Income tax	88.97	169.47	187.54